

January 21, 2004

MEMORANDUM TO: Michael T. Lesar, Chief
Rules Review and Directives Branch
Division of Administrative Services
Office of Administration

FROM: Robert C. Pierson, Director **/RA/**
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

SUBJECT: NOTICE OF FINDING OF NO SIGNIFICANT IMPACT IN THE
FEDERAL REGISTER CONCERNING THE U.S. ENRICHMENT
CORPORATION INC.'S APPLICATION FOR A LICENSE FOR THE
AMERICAN CENTRIFUGE LEAD CASCADE FACILITY IN PIKETON,
OHIO

Attached please find one signed original, four copies, and an electronic version on a floppy diskette of the **Federal Register** Notice for your transmittal to the Office of the Federal Register for publication.

Docket No. 70-7003

Attachments: 1. Signed Original
2. Four copies
3. Floppy diskette (electronic version)

CONTACT: Yawar Faraz, NMSS/FCSS
(301) 415-8113

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U.S. NUCLEAR REGULATORY COMMISSION

DOCKET NO. 70-7003

**NOTICE OF AVAILABILITY OF ENVIRONMENTAL ASSESSMENT AND FINDING OF NO
SIGNIFICANT IMPACT FOR LICENSE APPLICATION FOR USEC INC., BETHESDA,
MARYLAND**

ACTION: Notice of availability of Environmental Assessment and Finding of No Significant Impact for license application.

FOR FURTHER INFORMATION CONTACT: Yawar Faraz, Project Manager, Special Projects and Inspection Branch, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC, 20555-0001. Telephone: (301) 415-8113; fax number: (301) 415-5390; e-mail: yhf@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

The U.S. Nuclear Regulatory Commission (NRC) is prepared to issue Material License No. 70-7003 to United States Enrichment Corporation Inc.(USEC) (the applicant), to authorize possession and use of source and special nuclear material at the American Centrifuge Lead Cascade Facility (Lead Cascade) in Piketon, Ohio. NRC has prepared an Environmental Assessment (EA) in support of these actions in accordance with the requirements of 10 CFR Part 51. Based on the EA, the NRC has concluded that a Finding of No Significant Impact (FONSI) is appropriate. The license will be issued following the publication of this Notice.

II. EA Summary

The purpose of the proposed action is to authorize possession and use of source and special nuclear material at the applicant's Lead Cascade facility in Piketon, Ohio. The Lead Cascade facility would have up to 240 operable centrifuges for testing in order to provide reliability information on the machines and auxiliary systems for a commercial uranium enrichment facility. The Lead Cascade facility would recycle tails and product with no product withdrawals except for sampling. The applicant proposes to install the Lead Cascade facility in leased portions of the existing Department of Energy (DOE) Gas Centrifuge Enrichment Plant (GCEP) located at the Portsmouth Gaseous Diffusion Plant site in Piketon, Ohio. In the mid-1980's, DOE had produced enriched uranium using hundreds of centrifuges in its GCEP facility.

On February 12, 2003, USEC Inc. requested that NRC approve the proposed application. USEC Inc.'s request for the proposed action was previously noticed in the *Federal Register* on April 9, 2003 (68 FR 17414), along with a notice of an opportunity to request a hearing. No requests for a hearing were submitted to the NRC.

The NRC has prepared an EA in support of the proposed license application. The NRC concludes that the proposed action complies with the applicable Parts of Title 10, *Code of Federal Regulations* (10 CFR) for adequate protection of the public health and safety, and protection of the environment. For example, NRC staff finds that public exposure to radiation from the proposed action will be less than 0.0001% of the limits in 10 CFR Part 20. On the basis of the assessment, the NRC staff concludes that environmental impacts associated with the proposed action would not be significant and do not warrant the preparation of an Environmental Impact Statement (EIS). Accordingly, it has been determined that a Finding of No Significant Impact is appropriate.

III. Finding of No Significant Impact

On the basis of the EA, NRC has concluded that there are no significant environmental impacts from the proposed action and has determined not to prepare an EIS for the proposed action.

IV. Further Information

The EA and the documents related to this proposed action, including the application for the license amendment and supporting documentation, are available for inspection at NRC's Public Electronic Reading Room at <http://www.nrc.gov/reading-rm/adams.html> (ADAMS Accession No. **ML040210751**). These documents may also be examined, and/or copied for a fee, at the NRC Public Document Room (PDR), located at One White Flint North, 11555 Rockville Pike, Rockville, MD 20852.

Dated at Rockville, Maryland this 21st day of January, 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

_____/RA/
Joseph G. Giitter, Chief
Special Projects and Inspection Branch
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards